



U.S. Department of Justice

*United States Attorney
Southern District of Indiana*

*10 West Market Street
Suite 2100
Indianapolis, Indiana 46204-3048*

*(317)226-6333
TDD (317)226-5438*

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*FAX NUMBERS:
Criminal (317)226-6125
Administration (317)226-5176
Civil (317)226-5027
FLU (317) 226-6133
OCDETF (317)226-5953*

CONTACT PERSON:

SUSAN W. BROOKS

United States Attorney

(317) 226-6333

FOR IMMEDIATE RELEASE:

INDIANAPOLIS MAN SENTENCED FOR FINANCIAL FRAUD

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that KENNETH HARRIS, 54, Indianapolis, Indiana, was sentenced to 5 months imprisonment followed by 5 months home detention today by U.S. District Judge David F. Hamilton following his guilty plea to bank fraud. This case was the result of an investigation by the Federal Bureau of Investigation.

Harris and his wife operated an automobile leasing company named Fleet Consultants, Inc. (FCI) in Indianapolis. To finance the operation of this business, HARRIS entered into an agreement with Fifth Third Bank wherein the bank would finance the sales costs or leasing costs of the vehicles for FCI and then FCI customers would make payments directly to the bank. As each contract was accepted by Fifth Third Bank, funds for the purchase or lease of

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the vehicle were sent directly to FCI in the name of the individual borrower. Then HARRIS would cause a draft to be drawn on Fifth Third Bank so that he could finance the particular vehicle.

The financing agreement between FCI and Fifth Third provided that each vehicle purchased or financed by the bank would be free of any prior liens or encumbrances. However, because of financial difficulties suffered by HARRIS, he began not later than 1997 to divert certain payments from new leases to pay old leases as to which he had insufficient funds. Specifically, HARRIS caused certain of the drafts relating to automobile lease or sales transactions payable through Fifth Third Bank to be paid to FCI by representing that the subject automobiles were free of any prior liens, although HARRIS had previously leased the same vehicle and it had an outstanding lien at the time that the draft was drawn. As a result of this activity, over a period of approximately two years, Fifth Third Bank suffered a loss of nearly \$72,000.

According to Assistant United States Attorney James M. Warden, who prosecuted the case for the government, Judge Hamilton also imposed 5 years supervised release following HARRIS's release from imprisonment. HARRIS was ordered to make restitution to Fifth Third Bank in the amount of about \$72,000.

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